

2001-014-450



ADVANCED SYSTEMS TECHNOLOGY, INC.

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June 21, 2001

General Services Administration
FAR Secretariat (MVP)
1800 F Street, NW
Room 4035
ATTN: Laurie Duarte
Washington, DC 20405

Subject: FAR CASE 2001-014 (Proposed Revocation)

Dear Ms. Duarte:

AST is a HUBZone, small business concern. As such, we are writing to comment on Federal Acquisition Regulation (FAR) case 2001-014 (Proposed Revocation) regarding contractor responsibility, labor relations costs and costs relating to legal and other proceedings. The December 20, 2000 "Rule" is a matter of great concern. The revocation of that Rule is critically important to our future as a business. In fact, we believe that the initial Rule was, and continues to be, very political in nature.

We strongly endorse the proposed revocation of the Rule that was issued initially on December 20, 2000, put into effect on January 19, 2001 and subsequently suspended. The Rule cannot be implemented effectively, the standards are too vague, and the issues are too complex. Further, the Rule ignores the fact that the government workforce is not properly trained nor resourced to effectively implement such a rule.

The Rule would:

- Require costly contractor certifications that could increase false claims suits;
- Usurp legislative authority via administrative rule making, effectively amending public law;
- Destroy the link between a violation and the properly prescribed remedy; and,
- Raise serious questions of due process.

We believe the only prudent course of action is to revoke the December 20, 2000 Rule. There exist sufficient, effective, and proven tools covering contractor responsibility and allowable cost issues. The December 20, 2000 rule represents an attempt to force businesses, especially small businesses into committing more resources to respond to government regulations, reversing recent trends to reduce that burden. Just as important to AST, the rule represents the potential for responding to increased unfounded, liability claims.

Sincerely,

Robert E. Croach
Dir, Strategic Marketing
Advanced Systems Technology, Inc.

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